

LOKPAL OF INDIA
[Plot No. 6, Institutional Area, Phase-II, Vasant Kunj]
New Delhi

Complaint No. : 18/2024, 19/2024.

Date : 20th March, 2024.

Coram : **Justice A.M. Khanwilkar**
Hon'ble Chairperson

Justice Abhilasha Kumari
Judicial Member

Smt. Archana Ramasundaram
Member

Mahender Singh
Member

Justice L. Narayana Swamy,
Judicial Member

Justice Sanjay Yadav
Judicial Member

Sushil Chandra
Member.

Order

The complaint is placed before the Full Bench for consideration of the Scrutiny Report and to pass appropriate order.



2. Perused the Scrutiny Report. We are disposed to condone the remarks made by the office in this report and entertain the complaint being tenable.

3. Both these complaints have been filed by the same complainant and the subject-matter of both is also the same. The only difference is that Complaint No. 18/2024 has been filed by the complainant as an authorised representative of the company and Complaint No. 19/2024 has been filed in his individual capacity. As both complaints are similar, they are being clubbed together and decided by the same order.

4. The facts of the matter are not very clearly stated and appear to be jumbled up. However, the documents attached to the complaint throw some light upon the facts, and we proceed accordingly.

5. The complaints are directed against the Recovery Officer (RO) of the Securities and Exchange Board of India (SEBI) who is named in the complaint (the Public Servant). Some other individuals have also been named, but it is uncertain whether they are public servants or not or what designations they hold. The allegations levelled by the complainant in both the complaints are regarding an alleged rigging and undervaluing auction pertaining to his and



his son's property, for which there was a pre-decided buyer. The complainant alleges that by manipulating the auction process pursuant to the Order passed by SEBI, the complainant's property was attached and sold to a pre-determined buyer at a price significantly lower than the market price, allegedly to facilitate bribes for SEBI officials. The complainant is also aggrieved that the property auctioned belonged to his son, who had no connection to the Company against which SEBI passed the Order.

6. The documents annexed to the complaint reveal that the complainant was one of the Directors/Promoters of SMS Technosoft (India) Ltd. Recovery proceedings were initiated against him and others by SEBI, which led to the auction of the property in question. The sale of the property was confirmed in favour of the buyer, by the public servant, as is evident from Recovery Certificate No. 2786 of 2020, issued under Section 28A of the SEBI Act, 1992, read with Rule 63(1) of the Second Schedule to the Income Tax Act, 1961.

7. Though it is not specifically stated so in the complainant, the matter appears to be under litigation, as is evident from an incomplete Memorandum of Appeal annexed to the complainant, before the Securities Appellate Tribunal, Mumbai, in the year



2023. However, no other details, or orders of the Tribunal, are available on record. Further, the complaint lacks material facts suggestive of the commission of an offence of corruption and also lacks better particulars, which precludes us from doing any further scrutiny of the matter.

8. Suffice it to say that the complainant is pursuing his remedy before the Securities Appellate Tribunal, Mumbai, regarding the same subject-matter. Hence, in view of the lack of material facts, we are not inclined to entertain these complaints.

9. Accordingly, both the complaints are disposed of.


COURT MASTER,
LOKPAL OF INDIA.